

# **GOTUACO DEL ROSARIO INSURANCE BROKERS, INC.**

## **CHARTER OF THE NOMINATION COMMITTEE**

### **A. COMPOSITION**

The Nomination Committee is composed of at least three (3) members of the Board of Directors, one of whom is an independent director.

### **B. ROLES AND RESPONSIBILITIES**

The following are the roles and responsibilities of the Nomination Committee:

1. It shall review and evaluate the qualifications of all persons nominated to the Board of Directors as well as those nominated to other positions requiring appointment by the Board.
2. It should prepare a description of the roles and capabilities required of a particular appointment.

For the appointment of the Chairman, it should prepare job specifications, including an assessment of the time commitment expected of him, recognizing the need for his availability in the event of crisis.

The Chairman's other significant commitments shall also be disclosed to the Board of Directors before his appointment and included in the annual report. Any change thereof shall be reported to the Board and included in the next annual report.

3. The terms and conditions of appointment of non-executive directors shall be made available for inspection. The letter of appointment shall specify the expected time commitment. They shall undertake sufficient time to meet and do what is expected of them. Their other significant commitments shall be disclosed to the Board of Directors before appointments, indicating the time lines and in any case, the Board shall be informed of subsequent changes.
4. The Nomination Committee shall regularly review the structure of the Board of Directors to ensure that the Board is able to make timely and proper decisions. The Nomination Committee shall consider the following guidelines in the determination of the number of directorships for the Board:
  - a. The nature of the business of the Company;
  - b. Age of the director;
  - c. Number of directorships/active memberships and officerships in other corporations or organizations; and
  - d. Possible conflicts of interest.

Generally, the optimum number of members shall be proportional to the capacity of a director to perform his duties diligently.

#### C. MEETINGS

The Nomination Committee shall meet as often as it deems necessary. The required quorum for meetings is the presence of two (2) members of the Nomination Committee. Only the Nomination Committee members are entitled to be present at meetings but others may attend at the invitation of the Committee.

#### D. REPORTING

The proceedings of the meetings of the Nomination Committee shall be recorded in proper minutes, to be signed by the members present at the meeting.

The Nomination Committee Chairman shall ensure that the proceedings, decisions and recommendations of the Committee are promptly communicated to the Board of Directors.

#### E. REVIEW

This Charter shall be reviewed periodically by the Committee and shall be duly amended accordingly if necessary. Any proposed amendments to this Charter shall be submitted to the Board for approval.

## **GOTUACO DEL ROSARIO INSURANCE BROKERS, INC.**

### **CHARTER OF THE REMUNERATION COMMITTEE**

#### **A. COMPOSITION**

The Compensation or Remuneration Committee is composed of at least three (3) members of the Board of Directors, one of whom is an independent director.

#### **B. ROLES AND RESPONSIBILITIES**

The following are the roles and responsibilities of the Compensation or Remuneration Committee:

1. It shall regularly review and make recommendations regarding the Company's remuneration program with the objective of attracting, retaining and rewarding the Company's key personnel.
2. It shall review the Company's retirement and termination payment system.
3. It shall judge or make plans where to position the Company relative to other companies. However, such comparisons shall be used with caution in view of the risk of an upward adjustment of the level of remuneration with no corresponding improvement in performance.
4. It shall also recommend and monitor the level and structure of salaries including remunerations for senior management. The definition of "senior management" for this purpose shall be determined by the Board of Directors but would normally include first level management below Board level.

#### **C. MEETINGS**

The Compensation or Remuneration Committee shall meet as often as it deems necessary. The required quorum for meetings is the presence of two (2) members of the Compensation or Remuneration Committee. Only the Compensation or Remuneration Committee members are entitled to be present at meetings but others may attend at the invitation of the Committee.

#### **D. REPORTING**

The proceedings of the meetings of the Compensation or Remuneration Committee shall be recorded in proper minutes, to be signed by the members present at the meeting.

The Compensation or Remuneration Committee Chairman shall ensure that the proceedings, decisions and recommendations of the Committee are promptly communicated to the Board of Directors.

#### E. REVIEW

This Charter shall be reviewed periodically by the Compensation or Remuneration Committee and shall be duly amended accordingly if necessary. Any proposed amendments to this Charter shall be submitted to the Board of Directors for approval.

## **GOTUACO DEL ROSARIO INSURANCE BROKERS, INC.**

### **CHARTER OF THE AUDIT COMMITTEE**

#### **A. COMPOSITION**

The Audit Committee is composed of independent members of the Board of Directors, preferably with accounting and finance experiences.

#### **B. ROLES AND RESPONSIBILITIES**

The following are the roles and responsibilities of the Audit Committee:

1. It provides oversight of the Company's internal and external auditors.
2. It shall be responsible for the setting-up of internal audit department, and the appointment of the internal auditors as well as of independent external auditors.
3. It shall monitor and evaluate the adequacy and effectiveness of the internal control system of the Company.
4. It shall elevate to international standards the accounting and auditing processes, practices and methodologies.
5. It shall develop a definitive time table within which the accounting system of the Company will be 100% International Accounting Standard (IAS) compliant as well as furnishing an accountability statement that will specifically identify officers and/or personnel directly responsible for the accomplishment of such task.

#### **C. MEETINGS**

The Audit Committee shall meet as often as it deems necessary. The required quorum for meetings is the presence of a majority of the members of the Audit Committee. Only the Audit Committee members are entitled to be present at meetings but others may attend at the invitation of the Committee.

#### **D. REPORTING**

The proceedings of the meetings of the Audit Committee shall be recorded in proper minutes, to be signed by the members present at the meeting.

The Audit Committee Chairman shall ensure that the proceedings, decisions and recommendations of the Committee are promptly communicated to the Board of Directors.

#### E. REVIEW

This Charter shall be reviewed periodically by the Audit Committee and shall be duly amended accordingly if necessary. Any proposed amendments to this Charter shall be submitted to the Board of Directors for approval.